

provides that when the President submits a budget for a fiscal year, the Office of Management and Budget shall calculate and the budget shall report the extent to which the actual receipts (including interest) deposited to the AATF for the base year (that is, the most recently completed fiscal year) were greater or less than the estimated deposits specified in H.R. 1000 for the base year.

If there is a difference between the estimated and actual deposits in the base year, then title X provides that the amounts authorized to be appropriated in the upcoming fiscal year for FAA operations, facilities and equipment, research and development, and airport improvement shall be adjusted proportionately such that the total adjustments equal the revenue difference.

Estimated impact on State, local, and tribal governments: Overall, H.R. 1000 would provide significant benefits to airports operated by state and local governments. It also would impose two small mandates on state governments, but CBO estimates the cost of complying with these mandates would not be significant and would not meet the threshold established by UMRA (\$50 million in 1996, adjusted annually for inflation).

Mandates

Section 401 of the bill would prohibit a state or local government from preventing people associated with disaster counseling services who are not licensed in that state from providing those services for up to 60 days after an aviation accident. Section 402 of the bill would expand a current preemption of state liability laws by limiting the liability of air carriers that provide information concerning flight reservations to the families of passengers involved in airline accidents. Air carriers are already provided immunity from state liability laws for providing passenger lists under these circumstances. Because neither mandate would require state or local governments to expend funds or to change their laws, CBO estimates that any costs associated with these mandates would be insignificant.

Other impacts

H.R. 1000 would authorize \$19.2 billion in contract authority for the AIP for fiscal years 2000 through 2004, an increase of more than \$7 billion over CBO's March baseline for that period. Because the AIP provides grants to fund capital improvement and planning projects for more than 3,300 of the nation's state and locally operated commercial airports and general aviation facilities, those airports could realize significant benefits from this increase.

The bill also would expand the uses and change the distribution of AIP funds. For instance, it would increase from \$500,000 to \$1.5 million the minimum amount of money going to each of the nation's 428 primary airports from the entitlement portion of the AIP. (Primary airports board more than 10,000 passengers each year.) These funds are distributed based on the number of passengers boarding at an airport. The amount of money received per passenger would be significantly increased, and the current \$22 million cap would be eliminated. The bill would also allow non-primary and reliever airports to receive up to \$200,000 in entitlement funds per eligible airport. (Non-primary airports board between 2,500 and 10,000 passengers each year; reliever airports are designated by the FAA to relieve congested primary airports.)

Under this bill, eligible airports, under certain circumstances, would be able to increase passenger facility charges (PFCs) to \$6 from the current \$3 limit. Based on information from the General Accounting Office and the FAA, CBO estimates that if all airports currently charging PFCs chose to in-

crease them, revenues would total about \$475 million for every \$1 increase in the fee. The revenue generated from increased PFCs could be used to leverage tax-exempt bonds for airport projects. The bill also would increase to 25 the number of airports eligible to participate in an innovative financing pilot program. Under this program, eligible airports could use AIP funds to leverage new investment financed by additional tax-exempt debt.

Title II of the bill would deregulate the number and timing of takeoffs and landings (slots) at La Guardia Airport, Chicago O'Hare International Airport, and John F. Kennedy International Airport, effective March 1, 2000. Title II also would increase the number of slots available at Ronald Reagan Washington National Airport by six, subject to certain criteria. In general, as a condition of receiving money from the AIP, airports must agree to provide gate access, if available, to air carriers granted access to a slot. Based on information from the affected airports, CBO estimates that the increase in slots would have an insignificant impact on their budgets.

Estimated impact on the private sector: H.R. 1000 would impose new mandates by requiring safety equipment for specific aircraft, imposing consumer and employee protection provisions, and imposing new requirements for commercial air tour operations over national parks. Those mandates would affect owners of fixed-wing aircraft, air carriers, end-users of aircraft parts, commercial air tour operators, and cargo aircraft owners and operators. CBO estimates that the total direct costs of the mandates would not exceed the annual threshold for private-sector mandates (\$100 million in 1996, adjusted for inflation).

Owners of fixed-wing powered aircraft

Section 510 would require the installation of emergency locator transmitters on certain types of fixed-wing, powered civil aircraft. It would do this by eliminating certain uses from the list of those currently excluded from that requirement. Most aircraft that would lose their exemption and currently do not have emergency locator transmitters are general aviation aircraft. According to information from the National Air Transportation Association, the trade association representing general aviation, the cost of acquiring and installing an emergency locator transmitter would range from \$2,000 to \$7,000 depending on the type of aircraft. CBO estimates that fewer than 5,000 aircraft would be affected, and that the cost of this mandate would be between \$15 million and \$30 million.

Air carriers

Sections 402 and 403 would add new requirements to the plans to address the needs of families of passengers involved in aircraft accidents. Currently both domestic air carriers that hold a certificate of public convenience and necessity and foreign air carriers that use the United States as a point of embarkation, destination, or stopover are required to submit and comply with those plans. This bill would require that as part of those plans air carriers give assurance that they would provide adequate training to their employees and agents to meet the needs of survivors and family members following an accident. In addition, domestic air carriers would be required to provide assurance that, if requested by a passenger's family, the air carrier would inform them whether the passenger's name appeared on the preliminary manifest. Updated plans would have to be submitted to the Secretary of Transportation and the Chairman of the National Transportation Safety Board on or before the 180th day following enactment.

The bill does not specify what level of training would be adequate for air carriers to

be able to provide required assurance. Based on information from representatives of air carriers, CBO concludes that the major domestic and foreign air carriers and some smaller carriers currently provide training to deal with the needs of survivors and family members following an accident. In addition, the domestic carriers provide flight reservation information upon request, as would be required under H.R. 1000. CBO estimates that the cost of meeting the additional requirements would be small.

Section 601 would protect employees of air carriers or contractors or subcontractors if those employees provide air safety information to the U.S. government. Those firms would not be able to discharge or discriminate against such employees with respect to compensation, terms, conditions, or privileges of employment. Based on information provided by one of the major air carriers and the Occupational Safety and Health Administration, the agency that would enforce those provisions, CBO estimates that neither the air carriers nor their contractors would incur any direct costs in complying with this requirement.

Section 727 would grant the FAA the authority to request from U.S. air carriers information about the stations located in the United States that they use to repair contract and noncontract aircraft and aviation components. CBO expects that the FAA would request such information. Based on information from the FAA and air carriers, CBO anticipates that the carriers would be able to provide the information easily because it would be readily available and that any costs of doing so would be negligible.

End users of life-limited aircraft parts

Section 507 would require the safe disposition of parts with a limited useful life, once they are removed from an aircraft. The FAA would issue regulations providing five options for the disposition of such parts. The segregation of those parts to preclude their installation in aircraft is one option. Information from end users of such aircraft parts indicates that most currently segregate those parts before they reach the end of their useful life. CBO estimates that additional costs imposed by this mandate would be small since the end users would choose the most cost-effective method to safely dispose of such parts and most currently comply with the segregation option.

Commercial air tour operations

Title VIII would require operators of commercial air tours to apply for authority from the FAA before conducting tours over national parks or tribal lands within or abutting a national park. The FAA, in cooperation with the NPS, would devise air tour management plans for every park where an air tour operator flies or seeks authority to fly. The management plans would affect all commercial air tour operations up to a half-mile outside each national park boundary. The plans could prohibit commercial air tour operations in whole or in part and could establish conditions for operation, such as maximum and minimum altitudes, the maximum number of flights, and time-of-day restrictions. H.R. 1000 would not apply to tour operations over the Grand Canyon or Alaska. Those operations would be covered by other regulations.

CBO estimates that title VIII would impose no additional costs on the private sector beyond those that are likely to be imposed by FAA regulations under current law. CBO expects that the cost of applying to the FAA for authority to operate commercial air tours over national parks or tribal lands would be negligible.

Cargo aircraft owners and operators

Section 501 would mandate that a collision avoidance system be installed on each cargo